Increase in drug prices by pharma companies

†586. SHRI PYARELAL KHANDELWAL: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government is aware- of the fact that the prices of certain drugs have been substantially increased by pharma companies;

(b) whether Government would take any action against pharma companies which have increased the prices of drugs in protest against Government policy on curbing price rise; and

(c) the measures to be taken by Government for procurement of cheaper drugs?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) No such information has been brought to the notice of the Government/NPPA that the prices of certain drugs have been substantially increased by pharma companies.

The 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed / revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95. The price fixation/revision of the Scheduled medicines is a continuous process under DPCO, 1995.

Prices of non-Scheduled drugs are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government takes corrective measures where the public interest is found to be adversely affected. NPPA regularly monitors the prices and availability of the drugs in the country and wherever required, corrective action is taken in the matter.

(c) Purchase of medicines by Government is made through tenders. These purchases are made in bulk which helps in getting quality drugs at competitive prices.

Panel for negotiation of prices of patent drugs

587. PROF. ALKA BALRAM KSHATRIYA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government has formed a panel for negotiating prices of patent drugs;

(b) if so, why the Indian Industry was made a part of this committee and whether Government is also aware that a large number of drugs whose patents have expired in developed countries are now being patented in India; and

(c) what are the recommendations of Government panel and whether it has been put to public scrutiny and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) A Committee has been constituted in this Department to examine the issue

†Original notice of the question was received in Hindi.